

-7-Assessment of Property

- Dale Hyman Presentation

Property Tax Division
Iowa Department of Revenue

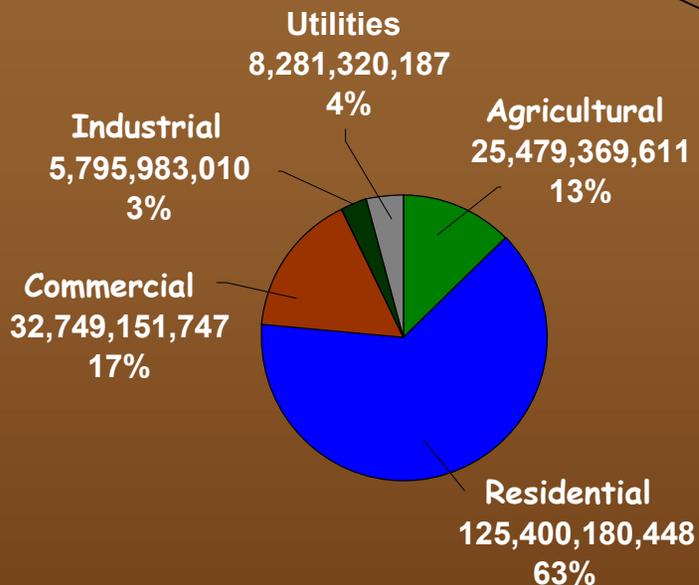


by: Dale Hyman, Administrator
September 12, 2007

Who Pays

Before

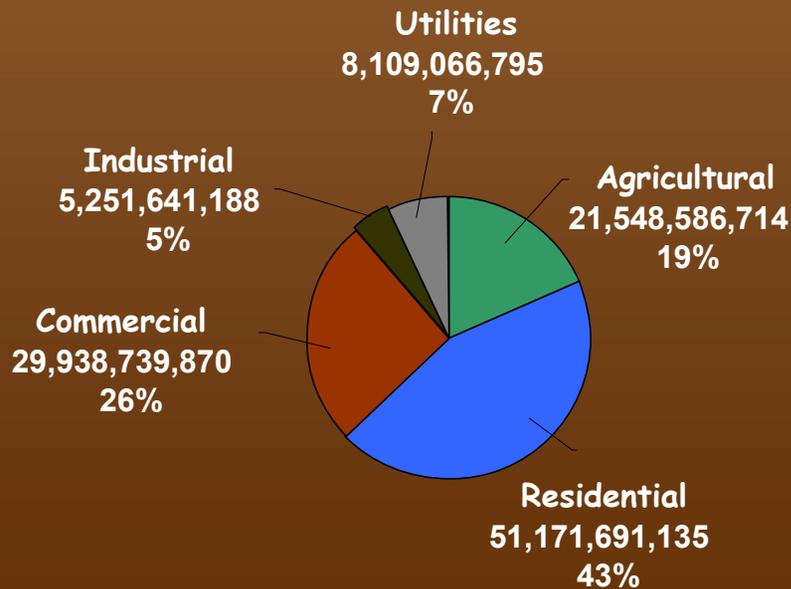
Full Value 2007



Rollback

After

Taxable Values 2007





2-Jan-2007

1-July-2007 — House completion

1-Aug-2007
1-Sep-2007
1-Oct-2007
1-Nov-2007

1-Jan-2008 — Assessment date, status of home at this date

1-Feb-2008
1-Mar-2008

15-Apr-2008 — Notification to taxpayer by April 15

1-May-2008 — Board of Review appeal period

1-June-2008
1-July-2008

1-Aug-2008
1-Sep-2008
1-Oct-2008

1-Nov-2008 — Rollback determination by Department of Revenue

1-Dec-2008

1-Jan-2009 — Budgeting time for schools, cities, and counties

1-Feb-2009

1-Mar-2009 — Certification of Budgets

1-Apr-2009

1-May-2009 — Calculation of tax levies

1-June-2009

1-July-2009
1-Aug-2009

1-Sep-2009 — First half taxes due

Assessors - Appointment & Education

- Appointed by Conference Board - 6 year terms
 - Mayors, Supervisors, School Boards
 - »or
 - City Councils, Supervisors, School Board
- Qualifications
 - Written Examination
 - Laws, Taxpayer Rights, Duties, Appraisal
 - Continuing education per term
 - 160 hours, at least 90 hours tested

Assessor Duties

- Cause to be assessed, in accordance with section 441.21, all the property in the jurisdiction.
- Approve exemptions for property.
- Administer property tax credits and exemptions (45 and counting).
- Cooperate with the Department of Revenue in administering the law.

Department of Revenue

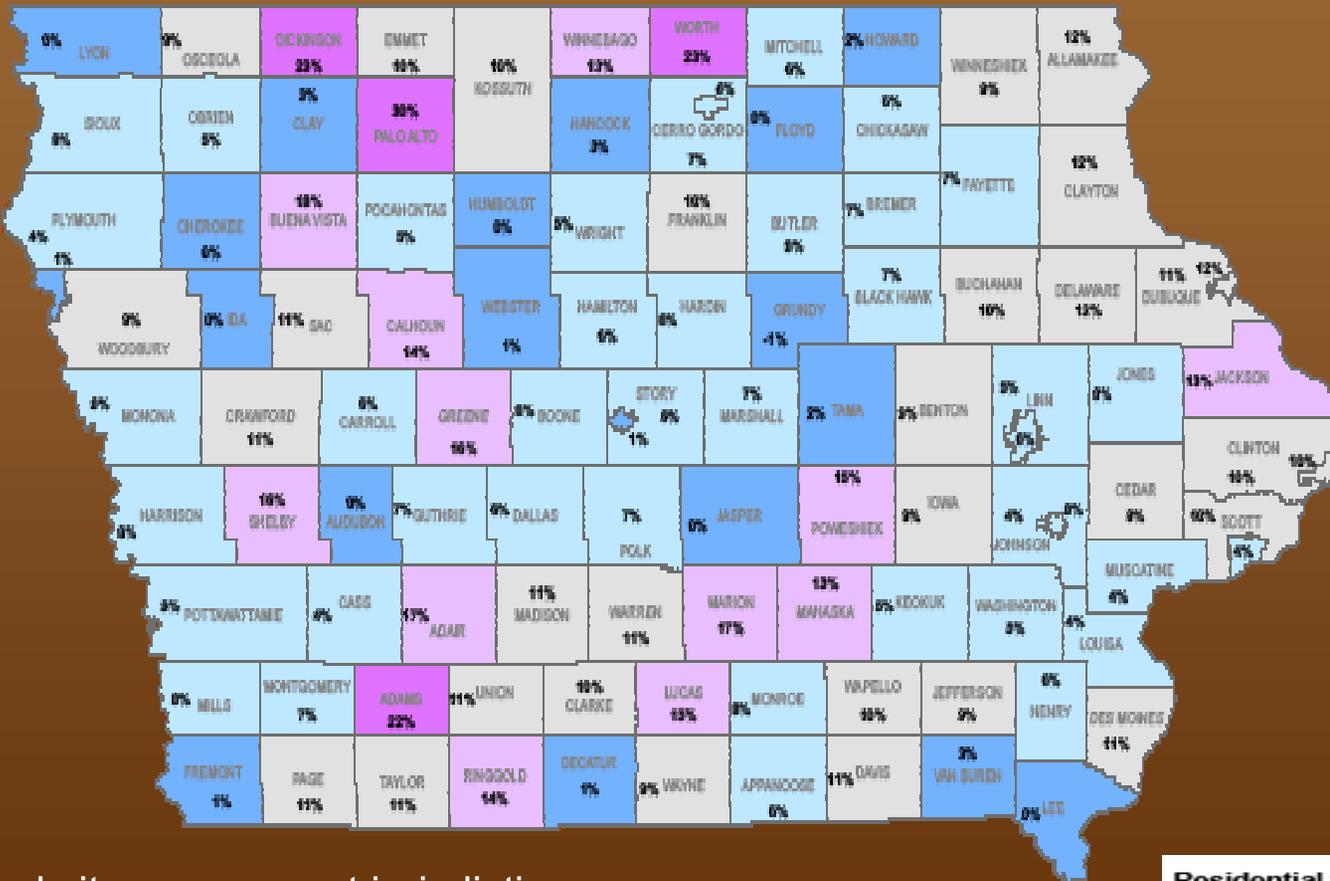
- Provides technical assistance and educational programs for assessors and board of review members.
- Administers certification exams for assessors and deputy assessors.
- Issues equalization orders to county auditors every two years based on comparisons of sales and department appraisals to assessed values.
- Assesses all railroad, utilities and pipelines in the state.
- Advises local government officials and taxpayers on property tax issues, including credits and exemptions and appraisal methodology.

Assessment Change 2007

Classification	Agricultural	Residential	Commercial
Revaluation	15.4%	7.5%	4.6%
Other & New Construction	1%	2.7%	3.9%
Overall increase	16.4%	10.2%	8.5%

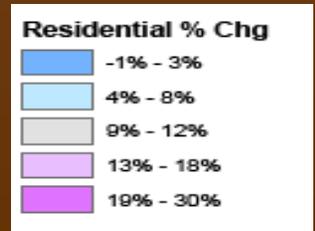
Assessment Change - Residential

Residential Revaluation and Equalization (Excludes New Construction)



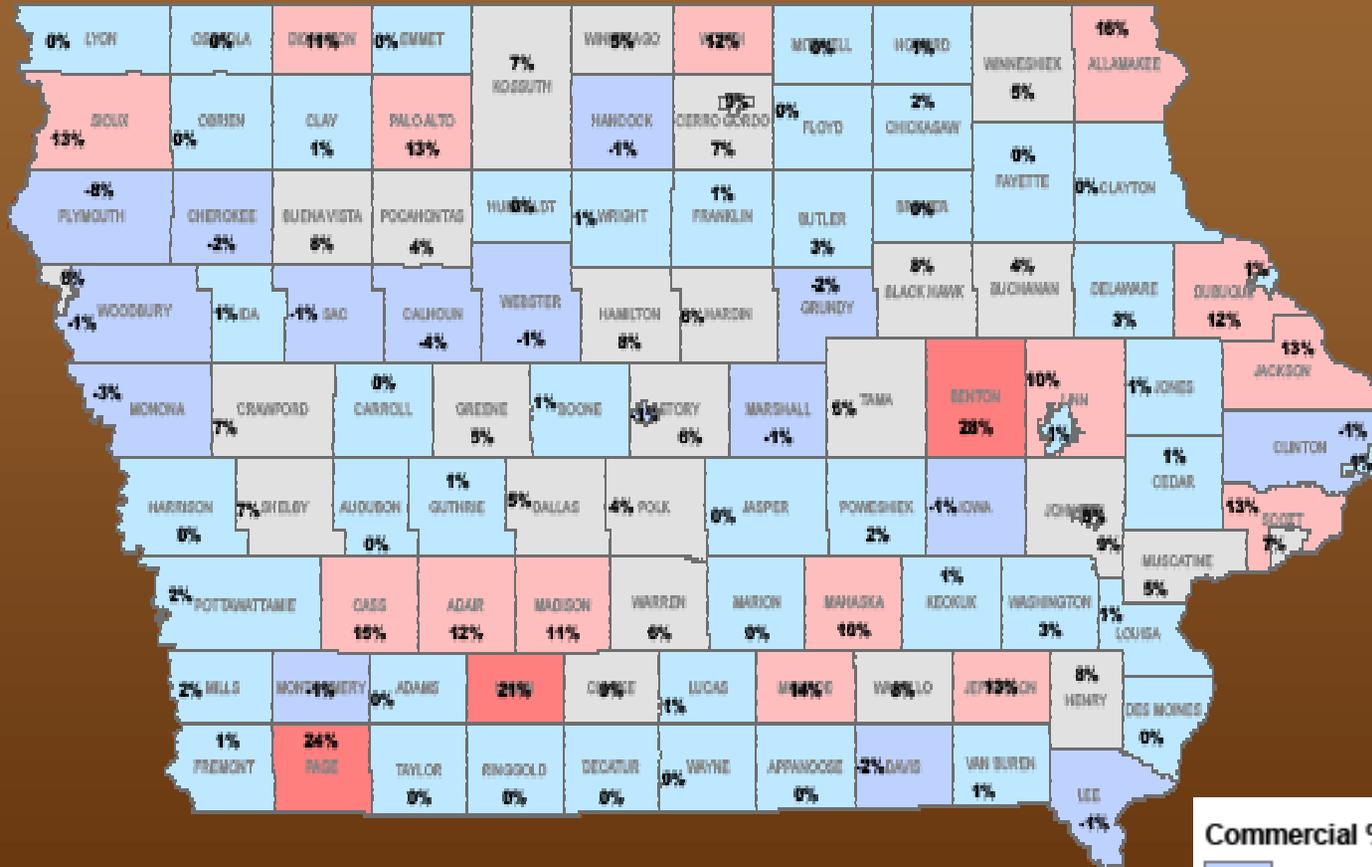
County and city assessment jurisdictions may have varying percentages

Iowa Department of Revenue, August 15, 2007



Assessment Change Commercial

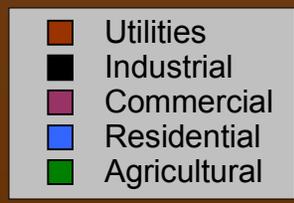
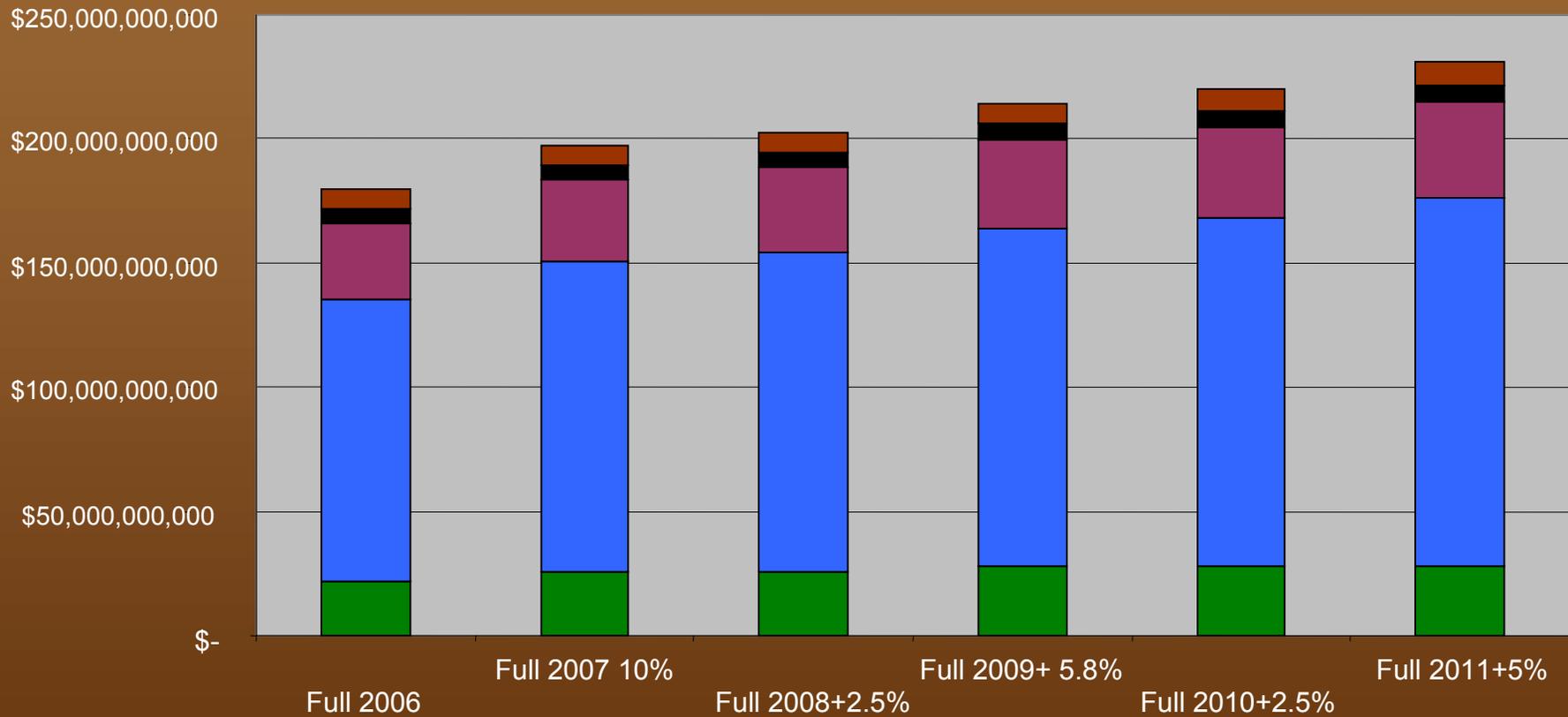
Commercial Revaluation and Equalization (Excludes New Construction)



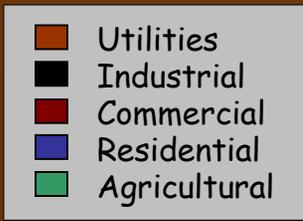
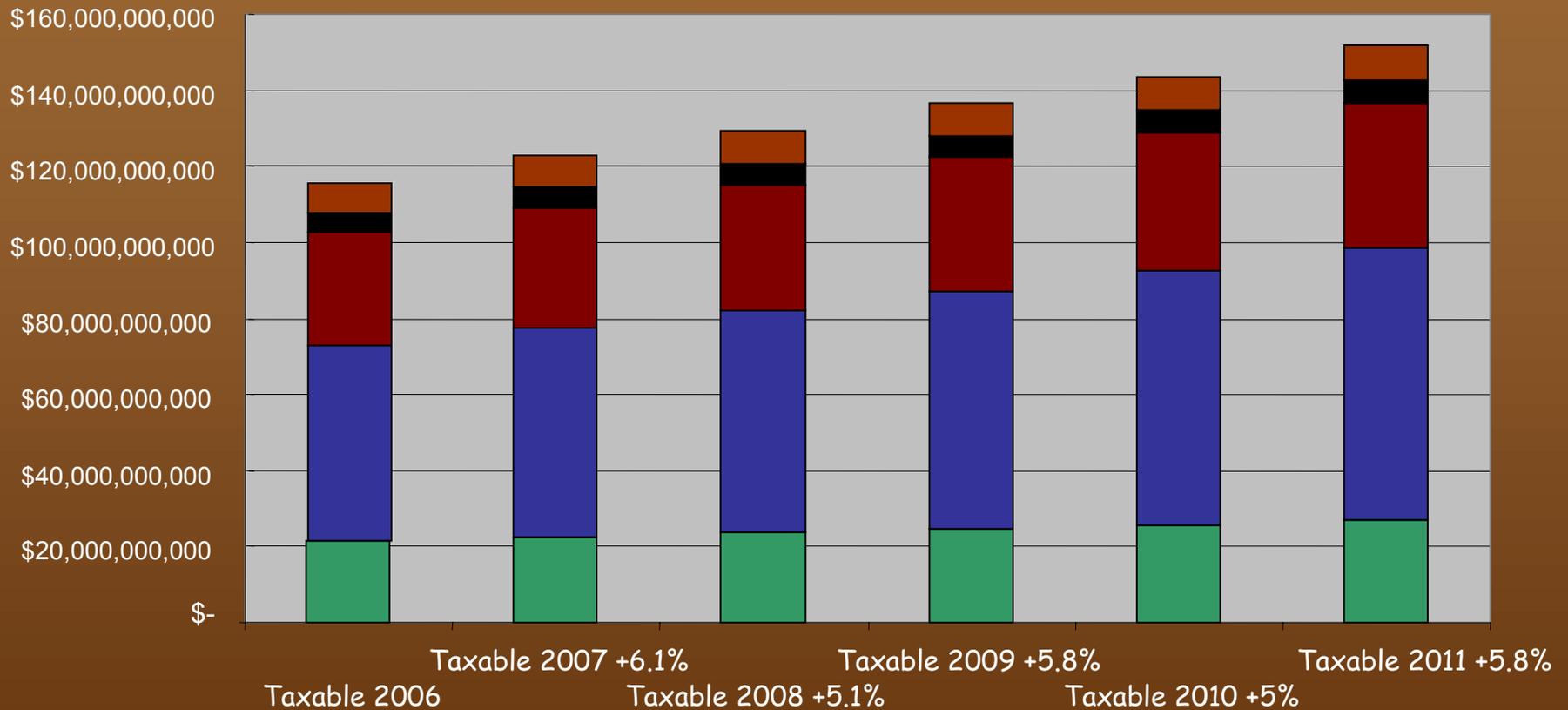
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Iowa Department of Revenue, August 15, 2007

State Wide 100% Value Predictions



Predicted Value Adjusted for Rollback



Capitalization of Agricultural Income

LAND DISTRIBUTION LAND USE	ACRES	YIELD	PRODUCTION	PRICE	GROSS INCOME	COUNTY ADJUST.	STATE EXP.	COUNTY ADJ. EXP.	TOTAL
CORN	12,288,000	164.4	2,019,534,000	2.08	2,100,315,360	0	85.78	85.78	1,054,064,640
SOYBEANS	10,404,000	45.0	467,926,800	5.78	1,352,308,452	0	51.55	51.55	536,326,200
OATS	158,400	75.9	12,022,200	1.61	9,677,871	0	20.12	20.12	3,187,008
GOVT. PROGRAMS	1,808,106				496,885,977				0
HAY	1,610,000	3.58	5,765,000	82.6	119,047,250	0	29.48	29.48	47,462,800
TILLABLE PASTURE	1,356,606			73.93	100,293,882		19.16		25,992,571
NON-TILLABLE PASTURE	2,286,266			36.97	84,523,254		9.75		22,291,094
TOTAL ENUMERATED	29,911,378								
OTHER ACREAGE	1,848,622								
TOTAL ACREAGE	31,760,000								
			TOTAL LANDLORD INCOME & EXPENSES		4,263,052,046				1,689,324,313

EXPENSE SUMMARY

TOTAL LANDLORD OPERATING EXPENSES	1,689,324,313
FERTILIZER COST ADJ.	
164.4 164.4 0	
0.09 12,288,000 0	
LIABILITY INSURANCE EXPENSE (.36)	11,433,600
TOTAL EXPENSES	1,700,757,913

INCOME FOR OTHER ACRES

NET INCOME PER ACRE: ENUM. ACRES	85.66
NET INCOME PER ACRE: OTHER ACRES	14.56

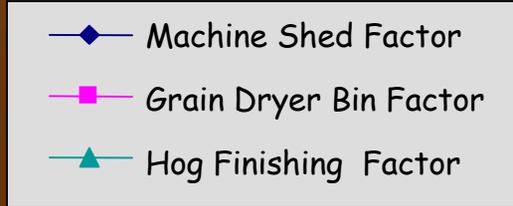
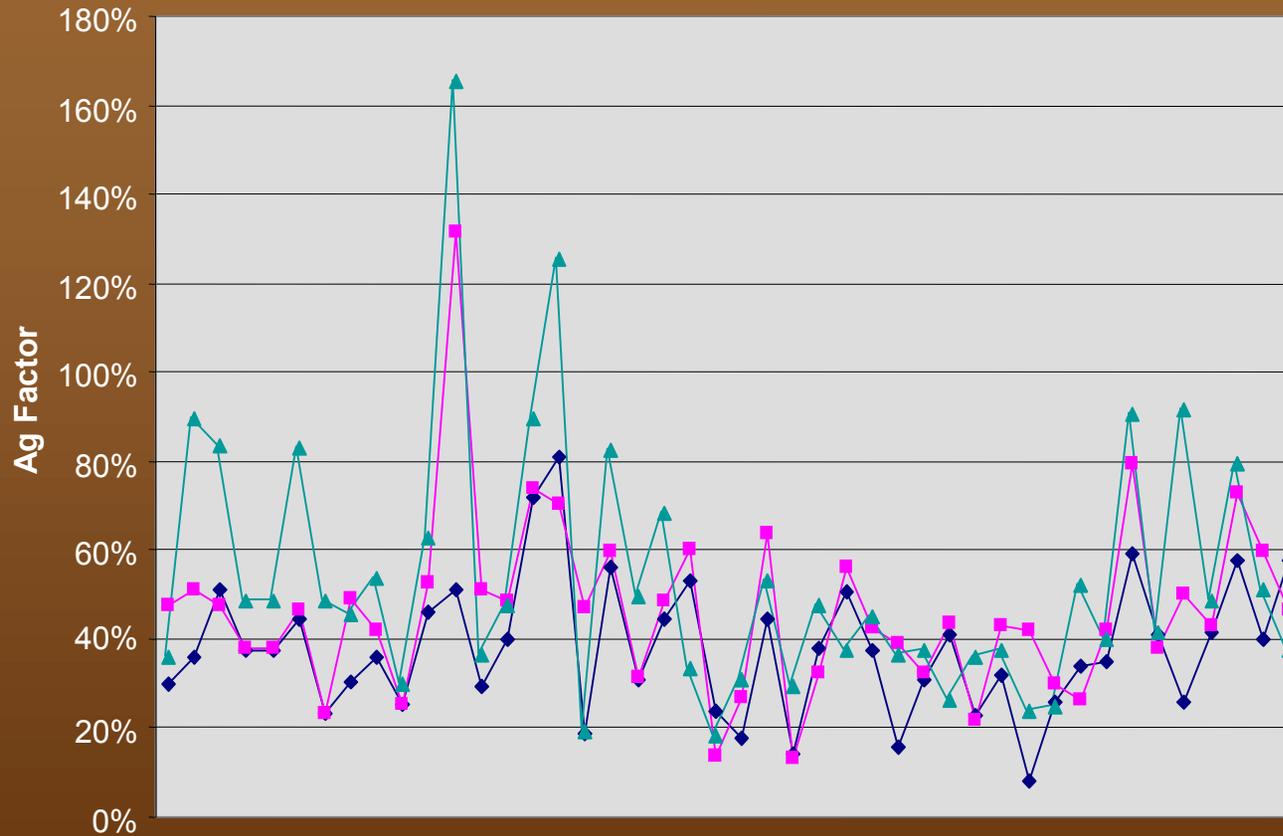
DETERMINATION OF VALUE PER ACRE

LANDLORD INCOME:ENUM. ACRES	4,263,052,046
TOTAL EXPENSES	1,700,757,913
NET LANDLORD INCOME:ENUM. ACRES	2,562,294,133
NET LANDLORD INCOME:OTHER ACRES	26,915,936
TOTAL NET INCOME	2,589,210,069
NET INCOME PER ACRE	81.52
LESS DWELLING ADJUSTMENT (10.6%)	72.88
LESS REAL ESTATE TAXES	16.83
NET INCOME PER ACRE AFTER R.E. TAXES	56.05
CAPITALIZED AT 7%	\$ 800.71

Iowa State Wide Averages - Impact 2009 Assessment

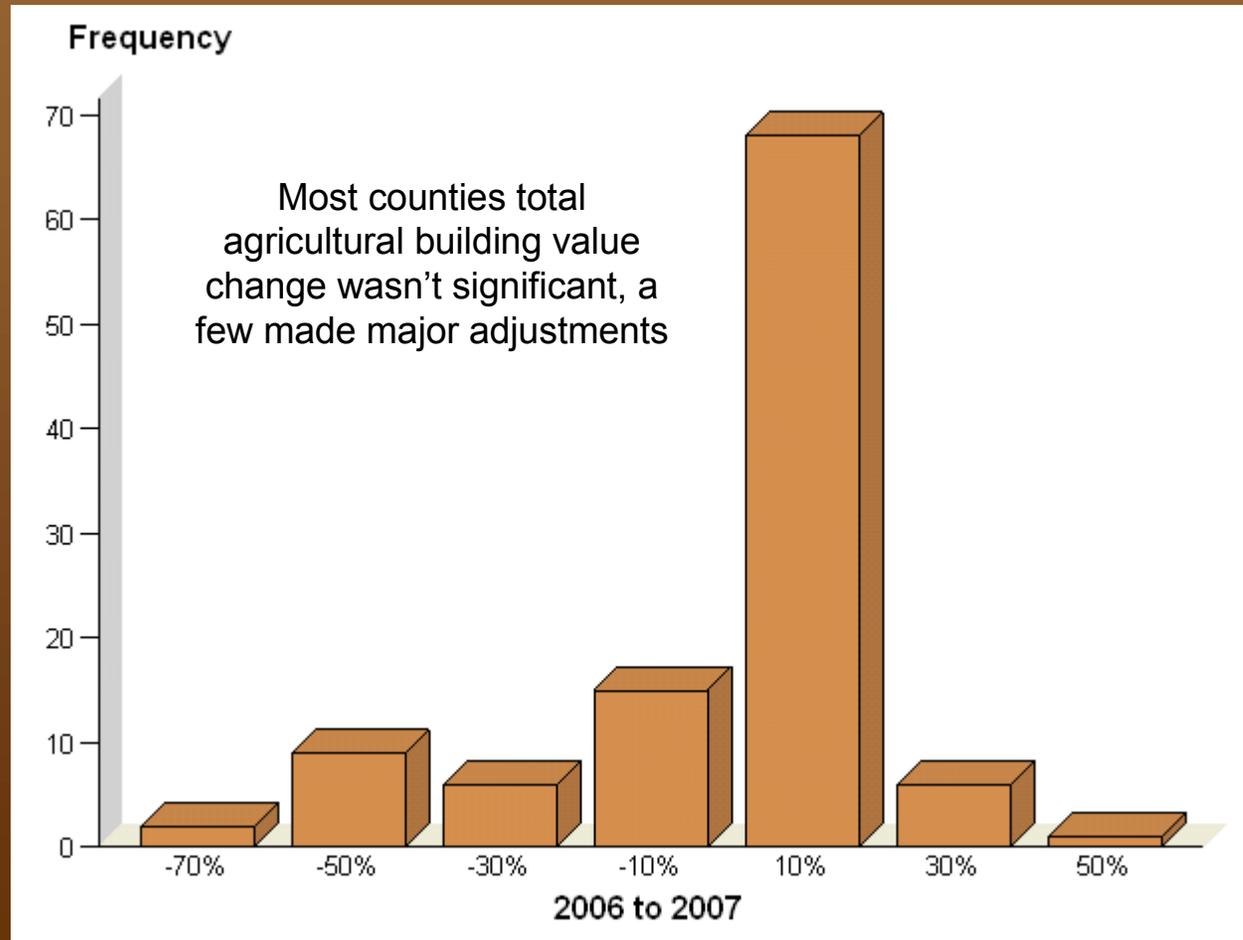
Year	2001	2002	2006 estimated	2007 estimated
Corn acres	11,400,000	11,850,000	12,350,000	13,950,000
Corn yield/acre	146	163	166	170
Corn price/bushel	1.9	2.22	2.5	2.85
Corn expenses/acre	81.34	79.31	107.00	114.00
Corn net	653,904,000	1,204,197,000	1,241,175,000	1,789,087,500
Corn net per acre	57	102	101	128
Bean acres	10,920,000	10,400,000	10,101,000	8,770,000
Bean yield/acre	44	48	50.5	50
Bean price/acre	4.35	5.54	6.00	7.00
Bean expenses	49.34	48.22	60.00	63.00
Bean net	506,251,200	881,296,000	924,241,500	982,240,000
Bean net/ac	46.36	84.74	91.50	112.00
Corn & bean net	1,160,155,200	2,085,493,000	2,165,416,500	2,771,327,500
5 year average 2001-2005	1,810,783,140			
5 year average 2003-2007			2,149,002,300	

Agricultural Building Factors



ISAA Survey
45 Counties
2006 Levels

Percent Change 06 to 07 in Building Assessments



Goals

- Fewer equalization orders
- More assessor revaluation
 - Earlier appraisals
 - Online management of sales for equalization
 - Study of process.
- Open communication
 - E-mail notification to county officers
 - Consumer friendly website